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CONCEPTS OF FINANCIAL SUPPORT WHICH MIGHT BE EMPHASIZED

A. Planning for Adequate Financial Support

It is important that planning officials realize that we cannot buy results with dollars. We buy services and things with dollars, which through the management process, are converted into the desired end objectives. Financial support should therefore be considered not only in terms of the amount of money required and the purposes for which it will be used, but also in terms of the methods and processes which must be employed in controlling and administering the money which is made available for a given project or program. Financial support should be planned in terms of the work involved in: (1) Budgeting and allotment of funds; (2) Control over obligations; (3) Maintenance of financial books and records; (4) Auditing and inspection; (5) Accounting and reporting to Headquarters; (6) Advances to and accountings from individuals, agents and installations; (7) Currency procurement, physical control, safeguarding and disbursement of cash; and (8) Payrolls, travel accounts, payments for materials, etc.

The effective management of funds may have a greater effect upon the end results achieved, than the amount of money supplied.

B. Accounting Process Compared to the Intelligence Process

It is sometimes difficult to convince operating officials that the factual details which are required to support financial accountings are necessary and serve a useful purpose. Actually, factual detail is as essential to the accounting process as it is to the intelligence process. An intelligence report based upon half-truths, guesses, rumors, and opinions is an unreliable instrument to be used as a basis for formulating national policy and administering national affairs. A financial report which is not based upon factual detailed information is equally unreliable as a basis for formulating Agency policy and administering Agency activities. The intelligence process and the accounting process have these points in common. They involve:

1. The systematic accumulation and recording of facts.
2. The evaluation and dissemination of the facts to appropriate officials to be used as a basis for policy formulation and action.
3. The end product - intelligence report or financial report - is only as true as the facts upon which it is based - if false or misleading, it can be dangerous.

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There does not appear to be any valid reason why any operating official who is capable of reporting factually on intelligence activities cannot be expected to render factual financial reports. While the circumstances under which certain financial transactions are conducted in an intelligence organization may make it necessary to tolerate the acceptance of financial accountings in bad form, we should not tolerate bad facts.

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